

STATEMENT OF SCOPE

Department of Revenue

Rule No.: Chapters Tax 2 and 11

Relating to: Penalty for failure to produce records

Rule Type: Permanent

1. Detailed description of the objective of the proposed rule:

The objective of this rule is to revise ss. Tax 2.85 and 11.90 relating to procedures on imposing a penalty for failure to produce records, as provided by 2015 Wis. Act 218.

2. Description of existing policies relevant to the rule, new policies proposed to be included in the rule, and an analysis of policy alternatives:

Existing policies are as set forth in the rules. Additional language is needed to reflect the statutory provisions described above. If the rules are not changed, they will be incorrect in that they will not reflect current law or current department policy.

3. Detailed explanation of statutory authority for the rule (including the statutory citation and language):

Section 71.80 (9m) (c), Stats., provides "The department shall promulgate rules to administer this subsection and the rules shall include a standard response time, a standard for noncompliance, and penalty waiver provisions."

Section 77.65 (19) (c), Stats., provides "The department shall promulgate rules to administer this subsection and the rules shall include a standard response time, a standard for noncompliance, and penalty waiver provisions."

Section 227.11 (2) (a), Stats., provides "[e]ach agency may promulgate rules interpreting the provisions of any statute enforced or administered by the agency, if the agency considers it necessary to effectuate the purpose of the statute..."

4. Estimate of amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule:

The department estimates it will take approximately 50 hours to develop the rule.

5. List with description of all entities that may be affected by the proposed rule:

Tax professionals, businesses, and others who rely on clear, current, and concise rules

6. Summary and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule:

There is no existing or proposed federal regulation that is intended to address the activities to be regulated by the rule.

7. Anticipated economic impact of implementing the rule (note if the rule is likely to have a significant economic impact on small businesses):

No economic impact is anticipated.

Contact Person: Jennifer Chadwick (608) 266-8253